

IN THE UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MISSOURI

In re:

417 Rentals, LLC

Case # 17-60935-11
Chapter 11

Debtor.

**MOTION BY DEBTOR FOR AUTHORITY TO EXECUTE AND DELIVER
DEED IN LIEU OF FORECLOSURE TO LEGACY BANK**

COMES NOW, 417 Rentals, LLC, Debtor, and for its Motion to Execute and Deliver Deed in Lieu of Foreclosure to Legacy Bank states:

I. Jurisdiction and Venue

1. On August 25, 2017 (the “Petition Date”), the Debtor filed its Voluntary Petition for Relief pursuant to *Chapter 11* of *Title 11* of the *United States Code*. Since that time, the Debtor has remained in possession of its assets and has operated its business as a Debtor-in-Possession.

2. The Court has jurisdiction over this matter pursuant to *28 U.S.C. §§ 157 and 1334*. This is a core proceeding pursuant to *28 U.S.C. § 157(b)(2)(A), (N) and (O)*.

3. Venue in this case is proper in this District pursuant to *28 U.S.C. §§ 1408 and 1409*.

II. Background

4. The Debtor’s assets consist of 565 rental units, many of which are single family dwellings. These properties are located in the Springfield, Missouri area. There are 15 lenders whose liens encumber most of the properties. The Debtor’s reorganization plan will seek to refinance certain properties and sell the remaining properties.

III. Deed in Lieu of Foreclosure

5. Debtor’s assets being deeded in lieu are the real estate and improvements listed in Exhibit A. Properties not being deeded in lieu are real estate and improvements located at 141 S.

Main, 216 HWY 174 and 440 West HWY 60.

6. The value of the aforementioned real estate is less than the balance owed and retaining the properties would be burdensome to the estate.

7. Legacy Bank has agreed to accept a deed in lieu of foreclosure for the aforementioned real estate and not pursue any deficiency claim in the Debtor's reorganization proceeding.

8. Debtor states that it is in the best interest of the estate to execute and deliver a deed in lieu of foreclosure of the aforementioned real estate.

9. The real estate subject of this Motion is not necessary for an effective reorganization.

IV. Relief Requested

10. The Debtor requests the Court approve execution and delivery of the deed in lieu of foreclosure in finding that it is in the best interest of the estate for the Debtor to complete this transaction.

WHEREFORE, 417 Rentals, LLC, Debtor herein, prays the Court for an order authorizing it to convey to Legacy Bank a deed in lieu of foreclosure for properties listed in Exhibit A and for such other and further relief as is just and proper.

Respectfully submitted,
BERMAN, DeLEVE, KUCHAN & CHAPMAN, LLC

By: /s/ Ronald S. Weiss

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ATTORNEYS FOR DEBTOR

CERTIFICATE OF SERVICE

I certify that the foregoing Motion was electronically filed with the Clerk of the Bankruptcy Court on this 12th day of March, 2018 and was served electronically on those parties receiving electronic notice through the Court's CM/ECF system, with an identical copy delivered by First Class, United States Mail, postage pre-paid to the following:

Lloyd E. Mueller
Office of the U.S. Trustee
400 E 9th Street, Suite 3440
Kansas City, MO 64106
U.S. TRUSTEE

Rodney H. Nichols
Eric L. Johnson
SPENCER FANE, LLP
2144 E. Republic Rd, Suite B300
Springfield, MO 65804
ATTORNEYS FOR LEGACY BANK

Legacy Bank and Trust
PO Box 920
175 Johnston Drive
Rogersville, MO 65742

/s/ Ronald S. Weiss
Ronald S. Weiss, MO #21215
Attorney for Debtor

EXHIBIT A

Properties in Portfolio					Property Type
30					
Legacy Bank and Trust					
Address	City	State	Zip	Loan #	Property Type
1026 N West Ave	Springfield	MO	65802	40001644	SF
1651 N Engel Ave	Springfield	MO	65803	40001644	SF
221 S Broadway Ave	Springfield	MO	65802	40001644	SF
2615 W Page St	Springfield	MO	65806	40001644	SF
2721 W Lincoln St	Springfield	MO	65802	40001644	SF
2954 W Water St	Springfield	MO	65802	40001644	SF
816 N National Ave	Springfield	MO	65802	40001644	SF
826 N Weaver Ave	Springfield	MO	65802	40001644	SF
1121 N Park Ave	Springfield	MO	65802	40003477	SF
1312-1314 S Brite Ave	Springfield	MO	65807	40003477	Duplex
1506 E Lindberg St	Springfield	MO	65804	40003477	SF
2021-2025 N Pierce St	Springfield	MO	65803	40003477	Duplex
2134 N Kansas Ave	Springfield	MO	65802	40003477	SF
2541 E Bennett St	Springfield	MO	65807	40003477	SF
3225 W Latoka St	Springfield	MO	65807	40003477	SF
520 S Scenic Ave	Springfield	MO	65802	40003477	Triplex
819 N Forest Ave	Springfield	MO	65802	40003477	SF
918 N Brown Ave	Springfield	MO	65802	40003477	SF
1074 S New Ave	Springfield	MO	65807	40003752	SF
1507 E Blaine St	Springfield	MO	65803	40003752	SF
1932 W Chestnut St	Springfield	MO	65802	40003752	SF
2321 N Kellett Ave	Springfield	MO	65807	40003752	SF
2731 W College St	Springfield	MO	65802	40003752	SF
3242 W Page St	Springfield	MO	65802	40003752	SF
611 N Warren Ave	Springfield	MO	65802	40003752	SF
729 W Chicago St	Springfield	MO	65803	40003752	SF
924 W Central St	Mountain Grove	MO	65711	40003752	SF
939 S Fort Ave	Mountain Grove	MO	65711	40003752	SF

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